

REPORT OF
COUNTY EMPLOYEES' RETIREMENT FUND
ON
SCHEDULES OF PENSION INFORMATION
FOR PARTICIPATING EMPLOYERS
DECEMBER 31, 2022

INDEPENDENT AUDITORS' REPORT

The Board of Directors
County Employees' Retirement Fund

Opinions

We have audited the accompanying schedule of employer allocations of the County Employees' Retirement Fund (CERF) for the year ended December 31, 2022, and the related notes. We have also audited the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense excluding that attributable to employer-paid member contributions (specified column totals) included in the accompanying schedule of pension amounts by employer of CERF as of and for the year ended December 31, 2022, and the related notes (collectively, "the Schedules").

In our opinion, the Schedules referred to above present fairly, in all material respects, the employer allocations and net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense excluding that attributable to employer-paid member contributions for the total of all participating entities for CERF as of and for the year ended December 31, 2022, in accordance with U.S. generally accepted accounting principles.

Basis for Opinions

We conducted our audit in accordance with U.S. generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Schedules section of our report. We are required to be independent of CERF and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Schedules

Management is responsible for the preparation and fair presentation of the Schedules in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedules that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Schedules

Our objectives are to obtain reasonable assurance about whether the Schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Schedules.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedules, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts in the Schedules.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CERF's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Schedules.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter

We have audited, in accordance with U.S. generally accepted auditing standards, the financial statements of CERF as of and for the year ended December 31, 2022, and our report thereon, dated June 1, 2023, expressed an unmodified opinion on those financial statements.

Restriction on Use

This report is intended for the information and use of the Board of Directors, management, and CERF's participating employers and their auditors, and is not intended to be, and should not be, used by anyone other than these specified parties.

William F. Keppers, LLC

Jefferson City, Missouri
October 16, 2023

COUNTY EMPLOYEES' RETIREMENT FUND

**SCHEDULE OF EMPLOYER ALLOCATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Employer	Employer Name	2022 Actual Employer Contributions	Employer Allocation Percentage
1	Adair County	\$ 167,125	0.47538%
2	Andrew County	180,534	0.51352%
3	Atchison County	64,077	0.18226%
4	Audrain County	244,699	0.69603%
5	Barry County	333,597	0.94890%
6	Barton County	107,986	0.30716%
7	Bates County	179,209	0.50975%
8	Benton County	209,920	0.59710%
9	Bollinger County	122,368	0.34807%
10	Boone County	1,353,523	3.85001%
11	Buchanan County	888,147	2.52628%
12	Butler County	353,294	1.00492%
13	Caldwell County	96,878	0.27556%
14	Callaway County	464,559	1.32141%
15	Camden County	693,179	1.97171%
16	Cape Girardeau County	650,280	1.84968%
17	Carroll County	88,876	0.25280%
18	Carter County	87,440	0.24872%
19	Cass County	1,058,562	3.01102%
20	Cedar County	116,634	0.33176%
21	Chariton County	64,166	0.18252%
22	Christian County	721,960	2.05357%
23	Clark County	73,931	0.21029%
24	Clay County	2,682,766	7.63096%
25	Clinton County	252,737	0.71890%
26	Cole County	588,439	1.67378%
27	Cooper County	149,776	0.42603%
28	Crawford County	238,913	0.67957%
29	Dade County	74,356	0.21150%
30	Dallas County	152,151	0.43278%
31	Daviess County	114,306	0.32514%
32	DeKalb County	110,092	0.31315%
33	Dent County	123,983	0.35266%
34	Douglas County	104,353	0.29683%
35	Dunklin County	300,744	0.85545%
36	Franklin County	948,609	2.69826%
37	Gasconade County	170,833	0.48592%
38	Gentry County	70,177	0.19961%
39	Greene County	2,468,882	7.02258%
40	Grundy County	95,997	0.27306%
41	Harrison County	85,129	0.24214%
42	Henry County	190,954	0.54316%
43	Hickory County	110,129	0.31326%
44	Holt County	59,852	0.17025%
45	Howard County	94,385	0.26847%
46	Howell County	373,566	1.06259%
47	Iron County	82,966	0.23599%
48	Jasper County	1,175,432	3.34344%
49	Jefferson County	2,247,483	6.39283%
50	Johnson County	389,458	1.10779%
51	Knox County	47,206	0.13427%
52	Laclede County	274,355	0.78039%
53	Lafayette County	354,880	1.00943%
54	Lawrence County	333,735	0.94929%
55	Lewis County	83,844	0.23849%
56	Lincoln County	559,533	1.59156%

The accompanying notes are an integral part of this schedule.

COUNTY EMPLOYEES' RETIREMENT FUND

**SCHEDULE OF EMPLOYER ALLOCATIONS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2022**

Employer	Employer Name	2022 Actual Employer Contributions	Employer Allocation Percentage
57	Linn County	\$ 99,820	0.28393%
58	Livingston County	123,182	0.35038%
59	Macon County	127,036	0.36135%
60	Madison County	121,202	0.34475%
61	Maries County	74,792	0.21274%
62	Marion County	247,208	0.70317%
63	McDonald County	245,325	0.69781%
64	Mercer County	49,704	0.14138%
65	Miller County	244,726	0.69611%
66	Mississippi County	132,633	0.37727%
67	Moniteau County	129,651	0.36878%
68	Monroe County	76,403	0.21732%
69	Montgomery County	131,252	0.37334%
70	Morgan County	251,826	0.71630%
71	New Madrid County	139,050	0.39552%
72	Newton County	484,034	1.37681%
73	Nodaway County	186,814	0.53138%
74	Oregon County	81,904	0.23297%
75	Osage County	98,647	0.28060%
76	Ozark County	98,940	0.28143%
77	Pemiscot County	175,655	0.49964%
78	Perry County	129,805	0.36922%
79	Pettis County	325,345	0.92542%
80	Phelps County	300,842	0.85573%
81	Pike County	142,461	0.40522%
82	Platte County	1,186,289	3.37433%
83	Polk County	264,437	0.75217%
84	Pulaski County	267,821	0.76180%
85	Putnam County	55,111	0.15676%
86	Ralls County	81,408	0.23156%
87	Randolph County	256,920	0.73079%
88	Ray County	328,035	0.93308%
89	Reynolds County	70,211	0.19971%
90	Ripley County	108,046	0.30733%
91	Saline County	242,968	0.69111%
92	Schuyler County	43,464	0.12363%
93	Scotland County	35,449	0.10083%
94	Scott County	365,435	1.03946%
95	Shannon County	85,126	0.24214%
96	Shelby County	51,833	0.14744%
97	St. Clair County	82,622	0.23501%
98	St. Francois County	548,610	1.56049%
99	Ste. Genevieve County	201,798	0.57400%
100	Stoddard County	306,842	0.87279%
101	Stone County	415,298	1.18129%
102	Sullivan County	62,097	0.17663%
103	Taney County	793,529	2.25714%
104	Texas County	168,344	0.47884%
105	Vernon County	193,456	0.55027%
106	Warren County	394,608	1.12244%
107	Washington County	258,284	0.73467%
108	Wayne County	115,663	0.32900%
109	Webster County	354,307	1.00780%
110	Worth County	15,277	0.04345%
111	Wright County	153,806	0.43749%
	Totals	<u>\$ 35,156,316</u>	<u>100.00000%</u>

The accompanying notes are an integral part of this schedule.

**SCHEDULE OF PENSION AMOUNTS BY EMPLOYER
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2022**

The accompanying notes are an integral part of this schedule

COUNTY EMPLOYEES' RETIREMENT FUND

**SCHEDULE OF PENSION AMOUNTS BY EMPLOYER (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2022**

Net Pension Liability		Deferred Outflows of Resources				Deferred Inflows of Resources				Pension Expense (excluding that attributable to employer-paid member contributions)					
Employer	Employer Name	Beginning	Ending	Difference between Expected and Actual Experience	Change in Assumptions	Proportionate Share of Contributions and	Total Deferred Outflows of Resources	Expected and Actual Experience	Change in Assumptions	Proportionate Share of Contributions and	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Total Deferred Inflows of Resources	Proportionate Share of Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and	Total Pension Expense (Benefit)
49	Jefferson County	\$ 5,195,918	\$ 14,351,774	\$ 151,658	\$ 2,762	\$ 865,153	\$ 1,019,573	\$ 90,356	\$ -	\$ 766,379	\$ (3,767,448)	\$ (2,910,713)	\$ 2,071,809	\$ (32,668)	\$ 2,039,141
50	Johnson County	1,071,340	2,486,966	26,280	479	40,182	66,941	15,657	-	163,954	(652,847)	(473,236)	359,016	(64,767)	294,249
51	Knox County	127,611	301,444	3,185	58	2,389	5,632	1,898	-	22,347	(79,131)	(54,886)	43,516	(8,367)	35,149
52	Laclede County	752,421	1,751,951	18,513	337	3,221	22,071	11,030	-	101,390	(459,900)	(347,480)	252,910	(31,972)	220,938
53	Lafayette County	874,013	2,266,161	23,947	436	67,013	91,396	14,267	-	41,342	(594,884)	(539,275)	327,141	10,363	337,504
54	Lawrence County	884,947	2,131,135	22,520	410	28,920	51,850	13,417	-	39,943	(559,439)	(506,079)	307,649	20,170	327,819
55	Lewis County	221,303	535,403	5,658	103	5,701	11,462	3,371	-	25,138	(110,547)	(112,038)	77,290	(11,206)	66,084
56	Lincoln County	1,469,999	3,573,015	37,757	688	21,479	59,924	22,495	-	98,045	(937,943)	(817,403)	515,797	(61,254)	454,543
57	Linn County	256,252	637,422	6,736	123	20	6,879	4,013	-	13,305	(167,328)	(150,010)	92,018	(6,115)	85,903
58	Livingston County	315,008	786,604	8,312	151	7,988	16,451	4,952	-	7,083	(206,490)	(194,455)	113,553	9,553	123,106
59	Macon County	324,083	811,215	8,572	156	18,394	27,122	5,107	-	20,359	(212,950)	(187,484)	117,106	(5,439)	111,667
60	Madison County	335,752	773,961	8,179	149	67,383	75,711	4,873	-	34,886	(203,170)	(163,411)	111,728	47,481	159,209
61	Maries County	206,446	477,600	5,047	92	1,967	7,106	3,007	-	24,074	(125,374)	(98,293)	68,946	(11,740)	57,206
62	Marion County	630,904	1,578,599	16,681	304	68,324	85,309	9,939	-	56,619	(414,394)	(347,885)	227,885	36,658	264,543
63	McDonald County	644,057	1,566,574	16,554	301	14,505	31,360	9,863	-	59,022	(411,237)	(342,352)	226,149	(9,017)	217,132
64	Mercer County	108,080	317,395	3,354	61	29,471	32,886	1,998	-	18,329	(83,319)	(62,992)	45,819	(6,387)	39,432
65	Miller County	630,166	1,562,749	16,514	301	21,962	38,777	9,839	-	92,994	(410,233)	(307,400)	225,597	(4,495)	221,102
66	Mississippi County	330,928	846,956	8,950	163	26,423	35,536	5,332	-	29,508	(222,332)	(187,492)	122,266	(2,493)	119,773
67	Moniteau County	328,146	827,914	8,749	159	14,013	22,921	5,212	-	8,131	(217,334)	(203,991)	119,517	(7,073)	112,444
68	Monroe County	189,446	487,887	5,156	94	22,063	27,313	3,072	-	41,111	(128,074)	(83,891)	70,431	(21,168)	49,263
69	Montgomery County	374,665	838,137	8,857	161	41,965	50,983	5,277	-	85,665	(220,017)	(129,075)	120,993	(16,504)	104,489
70	Morgan County	662,163	1,608,088	16,993	309	44,426	61,728	10,124	-	167,109	(422,135)	(244,902)	232,142	(14,678)	217,464
71	New Madrid County	350,583	887,933	9,383	171	65,835	75,389	5,590	-	80,510	(233,089)	(146,989)	128,181	(14,703)	113,478
72	Newton County	1,220,643	3,090,901	32,662	595	53,865	87,122	19,460	-	101,672	(811,384)	(690,252)	446,200	(1,126)	445,074
73	Nodaway County	353,672	1,192,940	12,606	230	184,496	197,332	7,511	-	13,373	(313,156)	(292,272)	172,212	44,643	216,855
74	Oregon County	205,706	523,015	5,527	101	6,475	12,103	3,293	-	13,784	(137,295)	(120,218)	75,502	(3,310)	72,192
75	Osage County	230,241	629,931	6,657	121	32,646	39,424	3,966	-	6,746	(165,362)	(154,650)	90,936	8,134	99,070
76	Ozark County	257,464	631,802	6,676	122	23,275	30,073	3,978	-	32,605	(165,853)	(129,270)	91,206	9,855	101,061
77	Pemiscot County	468,301	1,121,682	11,853	216	-	12,069	7,062	-	59,331	(294,450)	(228,057)	161,925	(12,666)	149,259
78	Perry County	331,187	828,897	8,759	160	10,087	19,006	5,219	-	20,913	(217,592)	(191,460)	119,659	(19,739)	99,920
79	Pettis County	805,229	2,077,559	21,954	400	43,301	65,655	13,080	-	74,102	(545,375)	(458,193)	299,914	(12,832)	287,082
80	Phelps County	793,111	1,921,090	20,301	370	21,107	41,778	12,095	-	61,480	(504,300)	(430,725)	277,327	(21,677)	255,650
81	Pike County	367,492	909,715	9,613	175	6,969	16,757	5,727	-	8,091	(238,807)	(224,989)	131,326	(1,810)	129,516
82	Platte County	3,175,676	7,575,297	80,050	1,458	150,336	231,844	47,693	-	184,622	(1,988,572)	(1,756,257)	1,093,563	(9,656)	1,083,907
83	Polk County	677,917	1,688,618	17,844	325	4,231	22,400	10,631	-	17,860	(443,275)	(414,784)	243,767	7,934	251,701
84	Pulaski County	749,228	1,710,227	18,072	329	25,070	43,471	10,767	-	87,466	(448,947)	(350,714)	246,887	6,254	253,141
85	Putnam County	145,603	351,923	3,719	68	-	3,787	2,216	-	10,539	(79,627)	(50,803)	50,803	(12,325)	38,478
86	Rails County	223,926	519,848	5,493	100	14,000	19,593	3,273	-	45,563	(136,464)	(87,628)	75,045	(9,435)	65,610
87	Randolph County	630,554	1,640,617	17,337	316	73,034	90,687	10,329	-	67,750	(430,674)	(352,595)	236,838	5,082	241,920
88	Ray County	794,407	2,094,736	22,136	403	72,494	95,033	13,188	-	4,034	(549,884)	(532,662)	302,394	25,085	327,479
89	Reynolds County	173,387	448,347	4,738	86	27,713	32,537	2,823	-	27,183	(117,694)	(87,688)	64,723	2,194	66,917
90	Ripley County	281,683	689,950	7,291	133	10,078	17,502	4,344	-	36,003	(181,117)	(140,770)	99,601	(4,361)	95,240
91	Saline County	636,448	1,551,523	16,395	299	32,934	49,628	9,768	-	19,100	(407,286)	(378,418)	223,976	35,278	259,254
92	Schuyler County	120,596	277,548	2,933	53	13,446	16,432	1,747	-	26,386	(72,859)	(44,726)	40,067	2,016	42,083
93	Scotland County	87,227	226,367	2,392	44	5,364	7,800	1,425	-	14,378	(59,423)	(43,620)	32,678	(7,967)	24,711
94	Scott County	886,218	2,333,562	24,659	449	129,404	154,512	14,692	-	39,227	(612,577)	(558,658)	336,871	28,964	365,835
95	Shannon County	223,010	543,590	5,744	105	28,133	33,982	3,422	-	25,370	(142,696)	(113,904)	78,472	12,257	90,729
96	Shelby County	139,858	330,990	3,498	64	3,980	7,542	2,084	-	27,413	(86,887)	(57,390)	47,781	(6,049)	41,732
97	St. Clair County	220,403	527,600	5,575	102	12,483	18,160	3,322	-	39,670	(138,499)	(95,507)	76,164	388	76,552

The accompanying notes are an integral part of this schedule.

COUNTY EMPLOYEES' RETIREMENT FUND

**SCHEDULE OF PENSION AMOUNTS BY EMPLOYER (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2022**

		Net Pension Liability		Deferred Outflows of Resources				Deferred Inflows of Resources				Pension Expense (excluding that attributable to employer-paid member contributions)			
						Change in Proportion and Difference Between Employer Contributions and Proportionate Share of Contributions				Change in Proportion and Difference Between Employer Contributions and Projected and Actual Investment Earnings on Pension Plan Investments				Net Amortization of Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	
Employer	Employer Name	Beginning	Ending	Expected and Actual Experience	Change in Assumptions	Proportionate Share of Contributions	Total Deferred Outflows of Resources	Expected and Actual Experience	Change in Assumptions	Proportionate Share of Contributions	Net Difference Between Actual Investment Earnings on Pension Plan Investments	Total Deferred Inflows of Resources	Proportionate Share of Plan Pension Expense	Proportionate Share of Contributions	Total Pension Expense (Benefit)
98	St. Francois County	\$ 1,424,517	\$ 3,503,264	\$ 37,020	\$ 674	\$ 116,843	\$ 154,537	\$ 22,056	\$ -	\$ 28,743	\$ (919,633)	\$ (868,834)	\$ 505,728	\$ 45,747	\$ 551,475
99	Ste. Genevieve County	486,457	1,288,623	13,617	248	91,321	105,186	8,113	-	46,400	(338,273)	(283,760)	186,024	13,924	199,948
100	Stoddard County	811,174	1,959,404	20,705	377	-	21,082	12,336	-	83,679	(514,358)	(418,343)	282,858	(42,623)	240,235
101	Stone County	1,040,576	2,651,972	28,024	510	100,727	129,261	16,696	-	66,768	(696,163)	(612,699)	382,836	(22,413)	360,423
102	Sullivan County	164,845	396,533	4,190	76	7,258	11,524	2,496	-	13,654	(104,093)	(87,943)	57,243	(5,919)	51,324
103	Taney County	2,022,537	5,067,246	53,547	975	20,813	75,335	31,902	-	180,570	(1,330,190)	(1,117,718)	731,503	(273,974)	457,529
104	Texas County	379,831	1,074,996	11,360	207	97,398	108,965	6,768	-	77,193	(282,194)	(198,233)	155,185	8,955	164,140
105	Vernon County	466,536	1,235,354	13,054	238	42,727	56,019	7,778	-	46,885	(324,290)	(269,627)	178,335	(14,758)	163,577
106	Warren County	1,044,578	2,519,852	26,628	485	65,152	92,265	15,864	-	44,700	(661,480)	(600,916)	363,764	30,308	394,072
107	Washington County	737,039	1,649,327	17,429	317	14,736	32,482	10,384	-	152,760	(432,961)	(269,817)	238,095	36,352	274,447
108	Wayne County	343,566	738,590	7,805	142	12,883	20,830	4,650	-	84,559	(193,885)	(104,676)	106,622	(17,071)	89,551
109	Webster County	907,534	2,262,502	23,908	435	144,839	169,182	14,244	-	231	(593,924)	(579,449)	326,613	66,977	393,590
110	Worth County	53,164	97,554	1,031	19	8,200	9,250	614	-	21,532	(25,609)	(3,463)	14,083	(3,533)	10,550
111	Wright County	344,235	982,160	10,379	189	71,820	82,388	6,183	-	25,282	(257,824)	(226,359)	141,784	(1,190)	140,594
Totals		\$ 90,255,988	\$ 224,498,026	\$ 2,372,316	\$ 43,205	\$ 9,104,296	\$ 11,519,817	\$ 1,413,394	\$ -	\$ 9,104,296	\$ (58,932,408)	\$ (48,414,718)	\$ 32,408,327	\$ -	\$ 32,408,327

The accompanying notes are an integral part of this schedule.

COUNTY EMPLOYEES' RETIREMENT FUND

NOTES TO THE SCHEDULES OF EMPLOYER ALLOCATIONS AND PENSION AMOUNTS BY EMPLOYER

1. PLAN DESCRIPTION

The County Employees' Retirement Fund (CERF) was established by an act of the Missouri General Assembly effective August 28, 1994. Laws governing the retirement fund are found in Sections 50.1000-50.1300 of the Missouri Revised Statutes (RSMo). The Board of Directors consists of eleven members, nine of whom are county employee or retiree participants. Two members, who have no beneficiary interest in CERF, are appointed by the Governor of Missouri. The Board of Directors has the authority to adopt rules and regulations for administering the system.

CERF is a mandatory cost-sharing multiple employer retirement system for each county in the state of Missouri, except any city not within a county (which excludes the City of St. Louis) and counties of the first classification with a charter form of government. CERF covers county elective or appointive officers or employees whose position requires the actual performance of duties not less than 1,000 hours per year; including employees of circuit courts located in a first class, non-charter county which is not participating in the Local Government Employees Retirement System (LAGERS); and does not cover circuit clerks, deputy circuit clerks, county prosecuting attorneys, and county sheriffs. Until January 1, 2000, employees hired before January 1, 2000, could opt out of the system.

CERF is a defined benefit plan providing retirement and death benefits to its members. All benefits vest after 8 years of creditable service. Employees who retire on or after age 62 are entitled to a retirement allowance for life based on the form of payment selected. The normal form of payment is a single life annuity. Optional joint and survivor annuity and 10-year certain and life annuity payments are also offered to members in order to provide benefits to a named survivor annuitant after their death. Employees who have a minimum of 8 years of creditable service and who terminated employment after December 31, 1999, may retire with an early retirement benefit and receive a reduced allowance after attaining age 55. Annual cost-of-living adjustments, not to exceed 1%, are provided for eligible retirees and survivor annuitants, up to a lifetime maximum of 50% of the initial benefit which the member received upon retirement. Benefit provisions are fixed by state statute and may be amended only by action of the Missouri Legislature. Administrative expenses for the operation of CERF are paid out of the funds of the system.

Prior to January 1, 2003, participating county employees, except for those who participated in LAGERS, were required to make contributions equal to 2% of gross compensation. Effective January 1, 2003, participating county employees hired on or after February 25, 2002 are required to make contributions of 4% if they are in a LAGERS county and contributions of 6% if they are in a non-LAGERS county. If an employee leaves covered employment before attaining 8 years of creditable service, accumulated employee contributions are refunded to the employee. The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature. Counties may elect to make all or a portion of the required 4% contribution on behalf of employees.

In addition, the following fees and penalties prescribed under Missouri law are required to be collected and remitted to CERF by counties covered by the plan:

- Late fees on filing of real estate and personal property tax declarations,
- Twenty dollars on each merchants and manufacturers license issued,
- Six dollars on each document recorded or filed with county recorders of deeds, with an additional one dollar on each document recorded,
- Five-ninths of the fee on delinquent property taxes, and
- Interest earned on investment of the above collections prior to remittance to CERF.

Further information related to required contributions, pension benefits, other plan terms, and investments and related return and financial information related to CERF is available as described in Note 4.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

County employers participating in CERF are required to report pension information in their financial statements for fiscal periods beginning on or after June 15, 2014, in accordance with Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*. The schedules of employer allocations and schedules of pension amounts by employer provide employers with the required information for financial reporting under that standard.

The underlying financial information used to prepare the pension allocation schedules is based on CERF's financial statements, accounting and payroll reporting systems. CERF's financial statements were prepared using the accrual basis of accounting and in accordance with U.S. generally accepted accounting principles.

Member and employer contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefits and refunds of employee contributions are recognized when due and payable in accordance with the statutes governing CERF. Expenses are recognized when the liability is incurred, regardless of when payment is made. Investments are reported at fair value on a trade date basis.

Employer contributions due for the year ended December 31, 2022, were used as the basis for determining each employer's proportionate share of the collective pension amounts reported on the schedules.

Employer contributions do not include member (employee) contributions paid by counties. Accordingly, the total pension expense reported in the schedule of pension amounts by employer excludes that attributable to employer-paid member contributions. Appropriate treatment of such amounts in employers' financial statements is the responsibility of the employers.

Employees of CERF do not participate in the plan.

The net pension liability is based on the Plan's fiduciary net position as reported in its financial statements, and the total pension liability is estimated by CERF's actuary as of each fiscal year-end. It is allocated as previously described.

Deferred inflows and outflows, except for the change in proportion, are allocated based on each employer's proportionate share of contributions for the fiscal year. The difference between expected and actual investment earnings on pension plan investments is amortized as a component of pension expense over 5 years on a straight-line basis, while the differences between expected and actual experience and changes in assumptions are amortized as a component of pension expense over the expected average remaining service lifetime (EARSLS) of all participants (4.26 years for the year ended December 31, 2022). Deferred inflows and outflows related to the change in proportion used for allocation purposes from one fiscal year to the next

are estimated by reallocating beginning balances using the ending allocation percentage and amortizing the difference over the EARSLS as a component of pension expense. The remaining unamortized deferred inflows and outflows are reported in the schedule of pension amounts by employer.

Pension expense is based on the service cost earned by participants during the fiscal year, interest on the total pension liability, certain changes in plan fiduciary net position, and the current year amortization of deferred inflows and outflows. It is allocated based on each employer's proportionate share of collective plan amounts and its specific amortization of change in proportion deferred item.

The preparation of the schedules in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

3. ACTUARIAL ASSUMPTIONS AND METHODS

Actuarial valuations of the Plan involve estimates of the reported amount and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The components of the collective net pension liability of CERF's employers as of December 31, 2022, were as follows:

Total pension liability	\$ 900,595,694
CERF fiduciary net position	<u>676,097,668</u>
Employers' net pension liability	<u>\$ 224,498,026</u>
Plan net position as a percentage of the total pension liability	75.07%
Covered payroll	\$ 492,172,734
Employers' net pension liability as a percentage of covered payroll	45.61%

The total pension liability as of December 31, 2022, was based on the most recent actuarial valuation by CERF's independent actuary as of January 1, 2022, projected forward to December 31, 2022, and financial information of the Plan as of December 31, 2022. The following actuarial assumptions were used:

Actuarial cost method	Entry age normal
Compensation increases	2.91% to 11.05% (2.7%, plus merit)
Discount rate	7.25%
Inflation	2.50%
Unfunded actuarial accrued liability	2.00%
Investment rate of return	7.25%
Mortality rates	<p><u>Actives:</u> Pub-2010 General Employees Below Median Table, male and female, both set forward one year and females scaled 110%. Future mortality improvements assumed using 75% of the MP-2018 Scale.</p> <p><u>Retirees:</u> Pub-2010 General Retirees Below Median Table, male and female, both set forward one year and females scaled 110%. Future mortality improvements assumed using 75% of the MP-2018 Scale.</p> <p><u>Beneficiaries:</u> Pub-2010 General Contingent Survivors Below Median Table, male and female, both set forward one year and females scaled 110%. Future mortality improvements assumed using 75% of the MP-2018 Scale.</p>

The current funding policy, if actuarial assumptions are met, results in the projected plan fiduciary net position being sufficient to pay benefits for all future years. Therefore, the current 7.25% discount rate is considered adequate, and the use of the municipal bond rate calculation is not necessary.

Actuarial valuations of CERF involve estimates of the reported amount and assumptions about the probability of the occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The last experience study was conducted for the period January 1, 2014, through December 31, 2018.

4. ADDITIONAL FINANCIAL AND ACTUARIAL INFORMATION

Additional financial and actuarial information supporting the preparation of the schedules of employer allocations and schedules of pension amounts by employer is included in CERF's Annual Comprehensive Financial Report for the year ended December 31, 2022. The Annual Comprehensive Financial Report can be obtained by submitting a request to the County Employees' Retirement Fund, 2121 Schotthill Woods Drive, Jefferson City, MO 65101.